New FINET Implementation Web Site Goes Live

The new FINET Implementation Web site, which went "live" in June, will be the information hub for the FINET implementation project. Created under the direction of Jerry Gearheart, this site will provide timely information about the project including timelines, progress, current focus, and training opportunities.

The site will be updated the first Monday of each month and will feature a "forum." The forum will be a moderated, interactive, real-time, on-line, conversation tool/bulletin board that will allow members of the user community and project team members to discuss functional area questions and issues, implementation strategies, training, and the overall project.

A new Web site from the Division of Finance is designed to keep the user community up-to-date on the FINET implementation project.

The Web site, which can be accessed at www.efinance.utah.gov/advfin, was officially rolled out at the June Steering Committee meeting and was very well received. The site will replace the agency implementation guide typically provided during a system upgrade.

The Web site development team includes Jerry Gearheart, Judd Houser, Cynthia Heyman (Web developer), Julia Wilkins, Robert Smith, and Larry Simpson. If you have any questions about the Web site, please contact Jerry Gearheart at 801-538-1023 or call the FINET Help Desk at 801-538-9690. ❖

B&A Meeting Handouts Available on Our Web Site

In order to make handouts from the June 20 Budget and Accounting Officers meeting available to everyone who might need them, we have posted the files on our Web site at www.finance.utah.gov/publications/bameetings.htm.

Below is a list of handouts posted and the file formats available for each one.

* **Agenda and Handout** – Microsoft Word (.doc) and Adobe Acrobat (.pdf) formats
* **Agency Yearend Calendar** – Microsoft Excel (.xls) format
* **Detailed Closing Instructions and Examples** – Microsoft Word (.doc) and Adobe Acrobat (.pdf) formats
* **Fixed Assets Yearend Training** – Adobe Acrobat (.pdf) format ❖
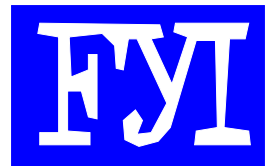
Agencies Are Responsible to Prevent and Detect Fraud

The State Auditor's Office has seen a sharp rise recently in the number of fraud cases. Additionally, the huge corporate fraud scandals of the past few years have led to reform in auditing standards including a reemphasis on management's responsibility to design and implement programs and controls to prevent, deter, and detect fraud.

Fraud is an expensive drain on state resources, not only in lost assets due to the fraud, but in increased costs to investigate, prosecute, and take corrective action. Fraud claims also lead to increased insurance premiums. Beyond the cost, fraud can be very damaging to the State's reputation and can destroy the career of the offender.

Those of us who have oversight for the accounting and financial reporting processes share a responsibility with agency management to set the proper tone; to create and maintain a culture of honesty and high ethical standards; and to establish appropriate controls to prevent, deter, and detect fraud. The message should be clear within an organization that fraud and other improprieties will not be tolerated.

Fraud is mainly thought of as misappropriation of assets such as embezzling receipts, stealing assets, or causing an entity to pay for goods or services they have not received. However, fraudulent financial reporting can occur when accounting transactions are intentionally misstated or omitted, when accounting standards are intentionally misapplied, or when errors pointed out by the auditors are left uncorrected. The State is at risk for both types of fraud.

We recommend that agencies periodically review their internal controls to ensure that controls are in place and that established policies and procedures are being followed, especially for those areas where they are exposed to the greatest risk for fraud. One of the key aspects of internal control is proper separation of duties. Agencies should ensure appropriate separation of duties is maintained at all times. We also need to guard against becoming too complacent about controls or rationalizing why certain controls or procedures don't have to be followed.

We all need to take a proactive stand in watching for fraud. If you become aware of a potential fraud, please report it first to your agency management. If you are uncomfortable reporting to agency management, please report it to either the State Auditor's Office or the Division of Finance at one of the following numbers:

State Auditor's Office:	Debbie Empey	801-538-1342
	Fraud Hotline	1-800-622-1243
Division of Finance:	John Reidhead	801-538-3102
	Marcie Handy	801-538-1678
	Brenda Lee Sy	801-538-3100

The State Auditor's Web site www.sao.state.ut.us/hotline/hotline.htm has additional information on reporting potential frauds including information on confidentiality, anonymity, and protections for those who report fraud. The Division of Finance will follow the same standards as the State Auditor's Office in handling reported issues. ❖

This Clarifies the Policy on Buying Rental Car Insurance

We would like to clarify the policy for purchasing additional insurance on rental cars booked through the State Travel Office on state contracts.

When you rent a vehicle from either Budget Car Rental or Enterprise Rent-A-Car, additional insurance on rental vehicles is not needed and will not be reimbursed **within the 50 states and the District of Columbia**. Coverage is included in the contracted rental rates.

If a traveler rents a vehicle **outside the 50 states and the District of Columbia**, insurance is not included in the rate. In this case, the insurance should be purchased and will be reimbursed. ✤

Check Our Web Site July 1 for FY 06 Updates

Updated information for fiscal year 06 will be available by July 1 on the Finance Web site at www.finance.utah.gov. The updated information includes:

- ✦ Policies and Procedures (select *Publications*, *Accounting Policies and Procedures*)
- ✦ FY 06 Chart of Accounts (select *Publications*, *Chart of Accounts*)
- ✦ FY 06 Mileage Reimbursement Forms (select *Publications*, *Forms*)
- ✦ Travel FindIt Guide (select *State Travel*, *FindIt Guide*) ✤

Frequently Asked Question from FINET Help Desk

Q I sent a payment to a vendor by mistake. The vendor cashed the check and later sent us a check for the amount of the payment. The PV (Price Agreement Purchase Order) was for an item on contract and referenced a PG (Price Agreement Order). How do we get the money back into the contract so we can make the correct payment?

A Since the FINET check cannot be cancelled, you cannot use a PV to put money back into the PG and ultimately back into the contract. Instead, you will enter a CR (Cash Receipt) to record the money received and then adjust the total amount of the contract. Here are the steps:

❶ Process a CR coded to the same coding block as the original PV (to record the money received from the vendor).

❷ Have your purchasing contact person increase the contract authorized limit on the PASM Table (Price Agreement Summary) by the same amount as the incorrect payment. This will allow you to make additional payments against the contract. *Note: The total contract amount will always be overstated by the amount of the incorrect payment.*

❸ Attach a copy of the CR that was used to record the money received from the incorrect vendor to the PV that makes payment to the correct vendor. This documents the return of the money in case the transaction is audited. ✤

Selected Payroll Fiscal Yearend Dates*

See the Payroll fiscal yearend calendar distributed through the Payroll list server for a complete list of Payroll fiscal yearend dates.

July 1   Employee NEW year home agency/ org/distribution and default coding, including salary splits, updated in the Payroll System.

July 1   Agencies may run Time Sheet Check List Report for pay period 13 to view employees' home agency/org/ distribution and default coding information, including salary splits.

July 1   Agencies may run New Hires and Transfer Report for pay period 13 and pay period 14 to view employees whose home agency/org/ distribution and default coding information is different.

July 1   The private vehicle reimbursement rate if a state fleet vehicle **is available** to the employee will remain 32 cents per mile.

July 1   The private vehicle reimbursement rate if a state vehicle **is not available** will increase from 37.5 cents to 40.5 cents per mile.

July 1   Payday for pay period 12.

July 1–8   Data entry for pay period 13 (dual year), starting at noon July 1.

July 2   Payroll System security changes for new fiscal year orgs.

July 8   Last day to enter other pay to post to either the OLD or NEW year.

July 8   Last day to make changes on the Default Cost Distribution Charging screen for pay period 13. Changes made after this date must have an effective date on or after 07/02/2005.

July 8   Last day to enter taxable earnings on-line into Payroll for the July 15 paycheck posting to either the OLD year or the NEW year.

July 8   OLD year earnings entered after this date need NEW year coding. These are posted to FINET using fiscal year *2006*. This includes commute fringe, overtime meal allowance, service and incentive awards, etc. Complete and file with the source document a copy of form FI 61E, Closing Accrued Expenditure IAT – Old Year.

July 11   Dual year preliminary payroll is processed beginning at 7:00 a.m.

July 12   Dual year final payroll is processed beginning at 7:00 a.m.

July 15–21 Data entry opens for pay period 14 (NEW year) at noon July 15.

July 15–Dec. 23   If an error occurred in any pay period prior to 14/2005, correcting entries will need to be made to the appropriate wage type and/or by fixing the leave balance with a quota correction. Do not change anything in any pay period prior to 14/2005.

July 29–Aug. 5   Data entry opens for pay period 15 at noon July 29.

July 29–Aug. 5   Changes can be made to time entry for pay period 14 to fix errors. Only changes prior to July 2, 2005, should not be entered.

Selected Fiscal Yearend Closeout Dates*

*See the calendars distributed at the June 20 Budget and Accounting Officers meeting for a complete list of fiscal yearend closeout dates. The calendar is available on the Division of Finance Web site at www.finance.utah.gov/publications/bameetings.htm.

June 30   Cash receipt cutoff. Cash received or electronic payments processed on or before this date are OLD year cash receipts. After this date they are NEW year cash receipts.

July 1   Finance runs purchase order roll or lapse job (EPNY). Default is *No Action*.

July 1   All accounting transactions default to accounting period 01/06 with budget FY 06.

July 6   Finance runs purchase order roll or lapse job (EPNY). Default is *No Action*.

July 8   Last day to post OLD year FINET documents for June reports.

July 12   Distribute June monthend reports.

July 15   Single Audit Summary Schedule of Prior Audit Findings due back.

July 15   First OLD year IAT cutoff. Process after this date only if: (1) the transaction affects only orgs within same line item; **or** (2) the seller notifies the main budget officer in the buyer agency.

July 15   Cutoff for July OLD #1 FINET monthend reports.

July 18   Finance distributes July OLD #1.

July 19   Finance distributes Closing Schedule #1, including non-budgeted line items.

July 20   Finance runs purchase order roll or lapse job (EPNY). Default is *No Action*.

July 22   Lease information due back.

July 22   June OLD year fixed asset reconciliations due to Henry Johnston.

July 29   OLD year cash recording cutoff. For adjustments to OLD year cash after this date, contact Cynthia Bowers, State Finance, at 801-538-3126.

July 29   OLD year check cancellation cutoff.

Aug. 1   Cutoff for July OLD #2 FINET monthend reports.

Aug. 1   Process all OLD year inter-agency IATs by this date (notify buyer agency's main budget officer).

Aug. 1   Finance runs purchase order roll or lapse job (EPNY). Default is *No Action*.

Aug. 2   Final calculation of dedicated credits lapsing amounts.

**Aug. 2**   Finance distributes July OLD #2.

FINET Schedule Changes for Holidays, Fiscal Yearend

The normal schedule for FINET is to be open Monday through Friday and to run a cycle each Monday, Wednesday, and Friday night. We will open FINET on Saturdays during the closeout period (except for the Saturdays when we run a monthend).

Listed below are the exceptions to the normal FINET schedule for holidays, yearend, and monthend periods through August 12.
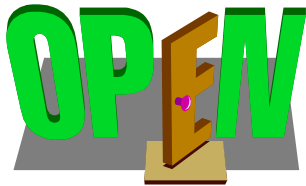
July 2 – **Open** noon – 5:30 p.m. .... Saturday
July 4 – **Closed** .... Independence Day holiday
July 5 – **Open** .... Tuesday cycle due to holiday
July 8 – **Open** .... June Monthend
July 9 – **Closed** .... Saturday Monthend
July 15 – **Open** .... July Old #1 after cycle
July 16 – **Closed** .... for July Old #1
July 23 – **Open** noon – 5:30 p.m. .... Saturday
July 25 – **Open** .... No cycle due to Pioneer Day holiday
July 26 – **Open** .... Tuesday cycle due to holiday
July 30 – **Open** noon – 5:30 p.m. .... Saturday
Aug. 1 – **Open** .... July Old #2 after cycle
Aug. 2 – **Open** .... Extra Tuesday cycle
Aug. 4 – **Open** .... Extra Thursday cycle
Aug. 5 – **Open** .... July Monthend
Aug. 6 – **Closed** .... Saturday Monthend
Aug. 9 – **Open** .... Extra Tuesday cycle
Aug. 11 – **Open** .... Extra Thursday cycle
Aug. 12 – **Open** .... July Old #3 after cycle ✤

Selected Fiscal Yearend Dates

Aug. 2   Finance distributes Closing Schedule #2, including non-budgeted line items.

Aug. 5   Last day to process OLD year payment vouchers on-line in FINET. After this date all OLD year payments must be paid NEW year and accrued on an accrued expenditure form.

Aug. 5   Last day to enter OLD year petty cash reimbursements.

Aug. 12   Final cutoff for all OLD year documents entered by agencies into FINET.

Aug. 12   Closing schedules due back. ✤
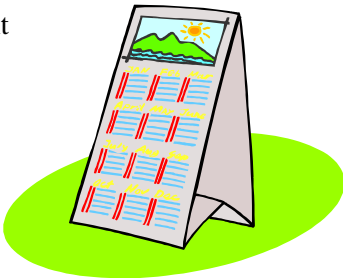
Payroll Training

Computer-based training on the Payroll System is available on the Division of Finance Web site at www.finance.utah.gov/training/courses.htm.

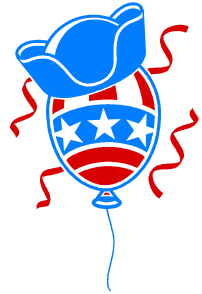*Click on the course names below to view the course descriptions or to access the on-line courses.*

FINET Classroom Training

July 12   Purchasing Lab; 8:30 – 11:30 a.m.

July 12   Disbursing Lab; 1 – 4 p.m.

July 13   Internal Transactions Lab; 8:30 – 11:30 a.m.

July 13   Fixed Assets Lab; 1 – 4 p.m.

FINET On-Line Courses

FINET System Navigation, FINET Overview, Employee Reimbursements, Purchasing and Disbursing, Cost Accounting, Grant Accounting, Revenues and Receivables, Internal Transactions, and Fixed Assets

Call to Add Your Name to Waiting List for These Classes

Budget Control, Grant Accounting Lab, Project Accounting, FINET Inventory, and On-line Inquiries

FINET Help Desk

Call 801-538-9690 to resolve immediate questions about using FINET.

Reservations

To reserve your spot in any class offered this month or to add your name to our waiting list for classes not offered this month, call 801-538-3082. We will notify you when the class is scheduled. If you make reservations and cannot attend, please notify us as soon as possible so we can make your spot available to someone else.

Persons with disabilities requiring accommodation should call 801-538-3082 a week before the class to request reasonable accommodation.

Read descriptions of all our courses and link to on-line courses at: www.finance.utah.gov/training/courses.htm.